

**MINUTES OF THE APRIL 25, 2012 REGULAR MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER:

President Adams called the meeting to order at 5:45 pm in the conference room at 1425 N. McDowell Blvd.

PRESENT:

Fran Adams, RN, BSN, President
Robert Ostroff, MD, Vice-President
Kathryn Powell, MS, Member-At-Large
Stephen Steady, MD, Secretary
Josephine S. Thornton, MA, Treasurer

ALSO PRESENT:

Tami Bender, Healthquest
Suzanne Cochrane, Board Clerk
Tina Deason, Healthquest
Ramona Faith, CEO
Maria Larsen, Manager, PHCD
Rick Nadale, Controller
Todd Salnas, COO, SJHS
Jeff Schach, Petaluma Fire Department

CONSENT CALENDAR:

A motion was made to approve the April 25, 2012 Agenda and the March 28, 2012 minutes by Director Ostroff and seconded by Director Steady. A revision to the motion was made by Director Powell to change the start time of the Agenda items to reflect the start time of the meeting as 5:45 pm. This revision was approved by all present.

PUBLIC COMMENTS:

There were no public comments.

BOARD COMMENTS:

The Board acknowledged Ramona Faith's birthday.

CEO REPORT:

Ramona Faith, CEO, PHCD, asked the Board if there were any questions on the April CEO Report. No questions were asked by the Board of Directors.

Ms. Faith has been in conversations with Herb Schultz regarding his presentation at the Health Care Reform forum scheduled for Thursday, May 3, 2012. Mr. Schultz, who is the Director of Region IX for the U.S. Department of Health and Human Services will be providing an update on the Affordable Care Act. He will focus specifically on California, which is actively implementing the provisions of the law. Mr. Schultz will be highlighting changes the law has already brought into place such as; consumer protections, expansions in access and quality, and small business tax credits.

Ms. Faith was interviewed by the Argus Courier and The Petaluma Patch for articles regarding the Health Care Reform forum expected to be published in the Argus Courier and the Petaluma Patch.

Carl Gerlach, Healthshare IQ, has contacted Ms. Faith on the status of his presentation and to see if the District is interested in pursuing purchasing the program. Ms. Faith has been in contact with SJHS to see if there is an interest in purchasing the data program at a cost of \$15,000 allowing the District to partner with SJHS and purchase an additional program at a cost of \$2,500 for the District's use.

Director Ostroff indicated a concern on purchasing the Healthshare IQ program prior to the hiring of a consultant who may already have access to this information. As we move forward with the selection process for a consultant, this decision can be made at a later date.

The CalHIPSO presentation to Petaluma physicians is scheduled for Thursday, April 26, 2012. There are currently about 21 registered for this event. Presentations will be made by a local physician who will share their personal experience in adopting and implementing an EMR to achieve meaningful use, along with Kent Waldsmith from CalHIPSO discussing available discounts and Kathy Ficco, SJHS presenting information on an EHR subsidy offering.

Ms. Faith shared the recent developments regarding implementing a Heart Safe Community program in Petaluma. A Heart Safe Community Committee has been formed and is reviewing programs and data from other heart safe communities. The PHCD Healthquest Department is very excited about implementing the Heart Safe Community project and will be providing an overview on this topic later in this Board meeting.

HEART SAFE COMMUNITY:

Maria Larsen, Manager, Lifeline/Healthquest, introduced the Heart Safe Committee members which include, Tina Deason, Tami Bender, and Jeff Schach, Petaluma Fire Department. Data has been gathered that shows favorable outcomes for communities who are trained in CPR and AED equipment.

Information presented reviewed that Heart Safe Communities provided education to citizens about sudden cardiac arrest and heart attacks to improve the health and well-being of the community. Training would occur on AEDs and CPR skills which together can double the chances of survival of a sudden cardiac arrest. Data for Petaluma reflected that there were 18 sudden cardiac attacks in 2011 and one reported a full recovery with the use of an AED.

Two Heart Safe Programs have been implemented; one in South Jordan, UT and another in San Diego, California. Board of Directors requested the Committee obtain data that reflected the start of the program to compare current data in the two cities who have already implemented the program.

Tina Deason and Tami Bender outlined the responsibilities of Healthquest in implementing the program by developing a system that monitors AEDs that are purchased through PHCD. AEDs require pad replacements every two years and batteries replaced every four years. A system would need to be in place to avoid equipment in the community not being readily available in case of an emergency. In addition, in coordination with the Fire Department and Sonoma County Dispatch, a registry could be established that indicates the location of AEDs throughout the community. Citizens would need to be trained in CPR/AED skills as well as educated on recognizing medical emergencies.

Through a National Registry, information can be made available to those who are trained in CPR/AED and detect where the nearest AED equipment

is placed. If the registered person is in the area, they can elect to respond to the notice, as well as know if an AED is near by.

AEDs are placed in the gyms at the local high schools. Tami Bender explained that 50% of the students at Casa Grande have received CPR training.

Board of Directors appreciated the enthusiasm of the Committee and look forward to hearing updates on the progress of the Heart Safe project.

PETALUMA VALLEY HOSPITAL:

Todd Salnas, COO, SJHS, provided a report on Petaluma Valley Hospital noting a Sepsis Initiative is currently being implemented through the ministries with staff very supportive about this project.

Management Team has been focusing on continuous readiness for Joint Commission with a recent visit resulting in positive results. Digital mammography is operating seven (7) days a week with a full schedule. One of the items being considered for purchase is a software program that will track outcomes and monitor patients care. The Stroke Certification program continues to progress with approval received to hire a neurologist for Sonoma County covering Santa Rosa, Petaluma and Northern Sonoma County Communities.

Kevin Klockenga recently conducted a state of the union address relative to the changes in health care reform with each hospital responsible for doing more with less to reach a goal to reduce \$10 million each year for three years. Currently, the Petaluma Valley Hospital budget is running a deficit of \$200,000 per month excluding the implementation expenses for the new medical records project.

Two items on the capital equipment list are a prenatal monitoring system that will monitor patients at a central location and resurfacing the parking lot. A decision has not been made if all or partial of the resurfacing project will be completed.

CNA negotiations have still not been finalized but the implementation plan for reduction in call pay from half pay to 30% pay will be rolled out. Negotiations are currently at an impasse.

Mr. Salnas reported Team Health received a cancellation notice from SJHS and is currently working on providing hospitalist coverage using local

physicians and contracting through Annadel Medical Group with physicians from the Petaluma Health Center. Locums will be utilized in the interim, if necessary.

Starting in April, the Surgery Department on-call will be 100% covered by local physicians. Negotiations continue between Annadel Medical Group and the Petaluma Women's Health.

The Computerized Physician Order Entry (CPOE) was implemented on April 1, 2012 and continues to work through issues and concerns as they occur, to reach the goal to qualify for meaningful use reimbursement.

Todd Salnas reviewed possibilities for the District and SJHS to work together and improve care and revenue for Petaluma Valley Hospital. Mr. Salnas will be scheduling a meeting with Ramona Faith to review the proposed list of potential partnering aspects. Items included; Orthopedics, Stroke (Neurologist) Certification, ICU (Intensivist/ICU monitors), Women and Children Program, Health Plan Growth, Vascular/General Surgeon Recruitment, ENT Services, Hospitalist Services, Mammography, and GI Ultrasound.

Ramona Faith asked whether a decision had been made to participate in obtaining information through the Healthshare IQ program. Mr. Salnas will follow up on this request.

Mr. Salnas also noted new logos for the St. Joseph Health System have been implemented.

FISCAL SUSTAINABILITY:

Rick Nadale reported on the PHCD Financials ending March 31, 2012. The Statement of Net Assets reflected assets of \$15,496,919 and liabilities and deferred revenue of \$2,729,871 leaving the net fund balance at \$12,767,048.

The year to date Statement of Revenue and Expense shows a loss of \$66,385 (which includes \$20,010 in unrealized losses) which is \$41,394 larger loss than the budgeted year to date loss of \$24,991.

The District's rate of return on investments decreased .11% to 4.80% for March 2012.

Fiscal Year 2012-2013 PHCD Budget (Draft #1):

Distribution of the proposed 2012–2013 PHCD Budget was postponed until the May 23, 2012 Board meeting. Ramona Faith reviewed with Board of Directors proposed expenses as outlined in the District’s Strategic Plan and will be incorporated into next year’s budget. Expenses included the hiring of a consultant to provide a Master Site Plan for the District, hiring of a consultant to evaluate hospital services, marketing services, and an estimated increase of \$60,000 for benefits.

Rick Nadale noted proposed projects and the increase in employee benefits increases the budget by \$460,000. This does not include possible partnering with SJHS to increase revenue for Petaluma Valley Hospital of up to \$500,000, and the outstanding loan with Petaluma Women’s Health.

Petaluma Women’s Health:

Rick Nadale noted that PHCD spent \$30,388 in the month of March 2012 for Petaluma Women’s Health (PWH) operational expenses. No reimbursement payment to the District was paid in March. The note receivable from PWH at the end of March reflected a balance of \$737,406 on the District’s books.

Minutes of the March 19, 2012 Asset Management Committee minutes were included in the Board packet.

Guiding Principles:

A proposed Guiding Principles Policy was included in the Board packet. Input was received from the Asset Management Committee and Business Development Committee and incorporated into this document.

A motion was made by Director Powell seconded by Director Steady to approve the proposed Guiding Principles for District Business Ventures. The motion passed by all present.

ADJOURNED TO CLOSED SESSION:

President Adams adjourned the meeting to closed session pursuant to the following section:

Trade Secrets (Health & Safety Code Section 32106(b). Discussion will concern, physician/hospital agreements, HMO agreements, inter-

hospital agreements, management services agreements and development of new services and programs. Estimate date of public disclosure: July 2012

Government Code Section 54957.6 closed session regarding employee matters.

President Adams adjourned the meeting to open session and reported no action was taken in closed session.

COMMUNITY HEALTH:

At the April 10, 2012 CHIPA Committee meeting, presentations from the City of Petaluma School District and the Sonoma County Needs Assessment were provided. The Committee will be reviewing needs assessment data from other agencies for the May and June meeting. Once presentations are completed, the CHIPA committee will identify gaps in care and services for broad community health issues within the Petaluma community.

South County Behavioral Health Collaborative is meeting on a monthly basis and recently developed their Committee Charter with input from Committee members. This committee will be working as a sub-committee to CHIPA.

COLLABORATION AND PARTNERSHIPS:

The Business Development Committee reviewed the contract for Dunakilly and requested references be obtained and an itemized contract to include expenses per each project be obtained.

The Petaluma Community Foundation event was very successful raising about \$30,000 in donations to the Denny Murray Fund. There were about 200 people in attendance. Board members who attended felt the event was very successful, nicely decorated, with a variety of community members in attendance.

INFRASTRUCTURE DEVELOPMENT:

Ramona Faith distributed a proposed Volunteer HR Policy for review and approval. At this time the District has one volunteer who works in the

Lifeline Department. This policy will provide a process for new volunteers.

A motion was made by Director Ostroff, seconded by Director Steady to approve the Volunteer HR Policy. This motion was unanimously passed by all present.

PRESIDENT'S REPORT:

President Adams reviewed the upcoming events sponsored by the District.

Discussion ensued regarding the schedule for June, July and August meetings due to scheduling conflicts with a request to cancel the July Board meeting. Discussion ensued with Board of Directors recommending to not cancel the July Board meeting at this time and to make this determination at a later date.

DISCUSSION OF PUBLIC COMMENTS:

There were no items discussed.

PLUS/DELTA:

No comments were made.

ADJOURN:

President Adams adjourned the meeting at 8:55 pm.

Respectfully submitted,

Stephen Steady, MD, Board Secretary

RECORDED BY:

Suzanne Cochrane, Board Clerk